

COUNCIL ON HOUSING
Public Session
Buena Vista Conference Center
New Castle, Delaware
March 10, 2010

Action Items

- Mr. Heckles is to:
 1. Draft a thank you letter to the Governor from the Council regarding attending the Council meeting and HDF funding.
 2. Provide to Mr. White and the Council information on foreclosure statistics.
 3. Arrange a presentation by a HUD representative to discuss upcoming changes in HUD Regulations.
- The Communications Committee - prepare a resolution recognizing April as Fair Housing Month.
- The Operations Committee - prepare a draft revision to the By-Laws recognizing the Housing Policy Committee.

Motions

- Approval of January 13, 2010 Minutes.

April 2010 Agenda Items

- Universal Design presentation by Pat Michael.

Important Dates

- Mr. Heckles to draft a thank you letter by March 26th to the Governor from the Council regarding attending the Council meeting and HDF funding.
- April 7 – Loan Review Committee meeting.
- April 14 – next Council meeting.

John Walker, Chair, called to order the Public session of the Council on Housing at 2:06 p.m. on March 10, 2010. In addition to Mr. Walker, the following Council members were present:

Russ Huxtable
Hugh Leahy
Connie Louder
Donna Mitchell

Ralph Peters
Vincent White
Norma Zumsteg

The following Council members were absent and excused from the meeting:

Pat Batchelor

Ruth Sokolowski

Also attending:

Governor Jack Markell, State of Delaware
Cleon Cauley, Deputy Legal Counsel, Office of the Governor
Anas Ben Addi, Director, Delaware State Housing Authority (DSHA)
Lynda Blythe, Administrative Specialist III, DSHA
Jerry Jones, Housing Finance/Development Administrator
Eric Hart, Application Manager, DSHA
Matthew Heckles, Legislative and Policy Advisor, DSHA
Kathi McCoy, Public Information Officer, DSHA
Timothy McLaughlin, Deputy Director, DSHA

Guests present:

Lorraine deMeurisse, Deutsche Bank Delaware
Debbie Hamilton, Delaware Housing Coalition (DHC) Advocate
Gina Miserendino, DHC
Ken Smith, DHC
Michael Skipper, WSFS Bank

GOVERNOR MARKELL

Mr. Walker introduced Governor Markell and thanked him for being the first Governor to attend a Council meeting.

Governor Markell stressed the importance of the Council on Housing and expressed his appreciation for the time and effort being put forth by the members as well as the assistance by Mr. Ben Addi to the Governor's office. Governor Markell noted the positive feedback his office is receiving from the community partners, advocates and others about the Council's work. Governor Markell, stated that housing is of the utmost importance and specifically remarked on the importance of:

1. Preservation of affordable rental housing:
 - a. Maximizing resources.
 - b. As a testament of the importance of housing as a good economic investment, more money was put into the state budget this year for the HDF and many other line items experienced a budget reduction.
2. Foreclosure prevention consisting of a three-prong attack:
 - a. Education of homeowners, housing counselors and servicers as to existing options to mitigate foreclosures.
 - b. Develop tools to provide homeowners with emergency financing and long-term solutions.
 - c. Help communities recover from the effects of foreclosure.

While conceding that more work still needs to be done, the Governor stated none of the efforts made so far could not have been done without the great effort put forth by DSHA, the Banking Commissioner's Office and the Attorney General's Office. Gov. Markell also stressed the importance of jobs and the effect of the lack thereof on all sectors of business and the citizens of Delaware. Governor Markell then announced that a new bond program will be unveiled soon to encourage economic investment which will lead directly to jobs.

Council members and guests then brought the following issues/items to the Governor's attention:

1. Lack of affordable housing for low and extremely-low income families in Sussex County.
2. Requested the three-year Step-Up Program (a pilot, rental assistance program) be institutionalized due to its success.
3. Emphasized that housing money be seen as investments in infrastructure and economic employment.
4. Requested a dedicated stream of funding be considered. Gov. Markell stated he does not believe this type of funding produces the best due diligence by the receiving parties.
5. The statewide land use problem. Gov. Markell stated two of the most complicated public policy issues are health care and land use and noted that local control of schools and land use has been preferred in Delaware.
6. Expressed Council's gratitude to the Governor for attending the meeting.

The Governor concluded by stating that an important part of the Council's/Governor's relationship is Council providing ideas as to what can be done better and asked that Council always strive to focus on what is in the best interest of the people they are serving.

APPROVAL OF MINUTES

Mr. White moved that the Minutes of January 13, 2010 be approved as written. Mr. Peters seconded the motion and the Minutes were unanimously approved.

DSHA REPORT

Mr. Ben Addi stated foreclosure filings have tripled since 2004-2005 and reported on DSHA's efforts to help solve the foreclosure problem via:

1. Marketing:
 - a. Utilizing a marketing blitz to increase public awareness of available programs.
2. Establishment of the Homeownership Grant Assistance Program (HGAP) (brochure attached):
 - a. Partnership between DSHA and Delaware Department of Health and Human Services.
 - b. \$3 million in Stimulus funds with \$2 million being used for homeless prevention and \$1 million for foreclosure prevention.
 - c. HGAP is similar to DEMAP but involves grants rather than loans and maximum amount is \$5,000 opposed to \$15,000.
 - d. Funds will terminate September 2010.

3. Housing counseling agencies:

- a. Funding will be available specifically to hire additional manpower to handle increased foreclosure activity and new programs.

Mr. White would like to know how many foreclosures the housing counselors have prevented. Mr. Heckles was asked to provide statistics on foreclosure prevention.

HDF STATEMENT REVIEW

Using the attached handout, Mr. Jones noted:

1. Two construction closings were held in February
 - a. Lexington Green Apts. (line 107)
 - b. King Plaza (line 111)
2. Seaford Apts. (line 126) funding was committed during the January 13, 2010 meeting.
3. UCP-Garrett House (line 127) funding request will probably be presented to Council at the April 14, 2010 meeting.

Regarding 2010 HDF applications Mr. Jones stated:

1. The first round closed February 19, 2010.
2. Eight organizations submitted a total of 14 applications (13 for grants and one loan application) totaling over \$2 million in requests.
3. A summary and ranking chart will be provided to the Loan Review Committee at its April 7th meeting to assist their review.
4. The May 5th Loan Review meeting will be used to finalize the Committee's recommendations.
5. Applications recommended for funding will be presented to the full Council at the May 12th meeting.

DSHA DEVELOPMENT PRESENTATION

Mr. Jones gave a PowerPoint presentation (copy attached) on the Development section of DSHA highlighting its various programs and facets:

1. Housing Development Fund.
2. HOME Program.
3. Low Income Housing Tax Credit Program (LIHTC).
4. Compliance and Asset Management.
5. Neighborhood Assistance Act Program.
6. Public Housing Capital Fund Program.

Mr. Peters asked if a bond issue could be used to supplement equity funding for the LIHTC. Mr. Ben Addi responded that more information will be needed to ascertain whether taxable bond rates could be better than or comparable to commercial lending rates. 4% LIHTC credit deals are a possibility for multi-family financing.

COMMITTEE REPORTS

COMMUNICATIONS

Mr. Leahy reported:

1. Noted his appreciation for the remarks made by Ms. Zumsteg to the Joint Finance Committee on February 3, 2010 (see attached).
2. The Committee will begin preparing the next annual report to the Governor as of June 30, 2010.
3. Requested input on Council information for DSHA's website which the Committee has been asked to review and provide suggestions to DSHA.
4. Mr. Heckles will prepare a thank you letter from the Council to the Governor by March 26th.

OPERATIONS

Ms. Louder reported:

1. No meetings were held in February due to the inclement weather.
2. The Committee's next meeting will include discussion and preparation of a revision to the By-Laws which would include adding the Housing Policy Committee.

OTHER BUSINESS

Mr. Smith distributed the DHC Housing Journal, copy attached.

Mr. Heckles will look into having a representative from HUD attend a future Council meeting to speak on upcoming changes in HUD's regulations per Mr. White's request.

Mr. White asked that the Communications Committee prepare a resolution recognizing April as Fair Housing Month.

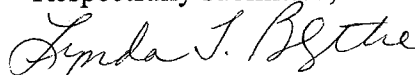
SCHEDULING OF NEXT MEETING

The next meeting will be held at 2:00 p.m. on April 14, 2010, in the Community Building at Huling Cove in Lewes, DE.

ADJOURNMENT

Upon motion made by Ms. Zumsteg, seconded by Mr. Huxtable, and unanimously passed by the Council, the meeting was adjourned at 4:10 p.m.

Respectfully submitted,



Lynda T. Blythe

Note: Copies of materials referenced as "attached" in these Minutes are available upon request.